# Welcome To DSCC
# 28 August 2006

Performance
Transformation
Culture

# Commander's Intent

## Performance

Improve Customer Support
End Backorder Reduction

## Transformation

Execute BSM and Support
BRAC Decision Requirements

The DSCC Way

CUSTOMER SATISFACTION
ACCOUNTABILITY
SPEED
QUALITY
INNOVATION
TEAMWORK
MUTUAL TRUST & RESPECT

...Expect the Best...

## Culture

Enhance Associate Capability Development

# Agenda

- DLA Overview
- DSCC Installation
- DSCC ICP
  - Organization
  - Our People
  - Mission
- BSM Transformation
- BRAC

# DLA ICP Overview… Organization

Performance Transformation The DSCC Way . . . Expect the Best . . . Culture

## CORPORATE STAFF

- DIRECTOR ★★★
- VICE DIRECTOR ★★
- COMMAND SERGEANT MAJOR

**DLA Director**
LTG Robert Dail
United States Army

**Vice Director**
Major General Loren Reno
United States Air Force

**CSM**
Command Sergeant Major David Roman
United States Army

- DES Enterprise Support
- J-1 Human Resources
- J-3 Logistics Ops ★★
- J-4 Customer Ops
- J-5 Enterprise Transformation
- J-6 Information Ops
- J-8 Financial Ops
- J-9 Reserve Forces ★★
- Special Staff

## BUSINESS UNITS

- Defense Supply Center Columbus ★
- Defense Supply Center Richmond ★
- Defense Supply Center Philadelphia ★
- Defense Energy Support Center
- Defense Distribution Center ★
- Defense Reutilization & Marketing Service

## SERVICE ACTIVITIES

- Defense National Stockpile
- DLA Pacific
- DLA Europe
- DLA Central
- Def Logistics Information Service
- Document Automation & Production Service

# DLA ICP Overview…
# Supply Chains of DLA

Performance · Transformation · Culture

The DSCC Way — Expect the Best

| Aviation | Land | Maritim e | C&T | Medical | Subsistence | C&E | Energy |
|---|---|---|---|---|---|---|---|
| *Richmond* | *Columbus* | | *Philadelphia* | | | | *Ft. Belvoir* |
| • Aviation Original Equipment Manufacturer (OEM) Items<br>• Engines & Airframes<br>• Aviation Supply Chain Commodities<br> | • Wheeled Vehicles<br>• Tracked Vehicles<br> <br>• Batteries<br>• Nuts & Washers<br>• Converters | • Valves/Hardware<br>• Fluid Handling<br>• Electronics<br>• Bearings<br>• Motors<br>• Packing/Gaskets<br> | • Recruit Clothing<br>• Organizational Clothing Equipment<br> | • Pharmaceutical<br>• Medical/Surgical Equipment<br> | • Institutional Feeding<br>• Operations Rations<br>• Produce<br> | • Construction<br>• Equipment<br> | |
| BSM | | | | | | | FAS |

# The DLA Enterprise as of June 2006

Performance Transformation Culture

The DSCC Way . . . Expect the Best . . .

**FY01 Sales/Services: $17B**
**FY02 Sales/Services: $21.5B**
**FY03 Sales/Services: $25B**
**FY04 Sales/Services: $28B**
**FY05 Sales/Services: $31.8B**
**FY06 Projection: $35.0B**

- **Energy:**
- **Distribution: $2.5B**
- **Other: $1.0B**
- **~95% of Services' repair parts**

## Foreign Military Sales

- **Sales: $1.18B**
- **Shipments: 535K**
- **Supporting 124 Nations**

## Scope of Business

- **54,000 Requisitions/Day**
- **8,200 Contracts/Day**
- **#58 Fortune 500 – Above Sprint Nextel**
- **#2 in Top 50 Distribution Warehouses**
- **26 Distribution Depots**
- **5.2 Million Items – eight supply chains**
- **25M Annual Receipts and Issues**
- **1411 Weapon Systems Supported**
- **132.8M Barrels Fuel Sold**
- **$14.6B Annual Reutilizations/Disposals**

## People

- **20,805 Civilians**
- **519 Active Duty Military**
- **754 Reserve Military**
- **Located in 48 States/28 Countries**

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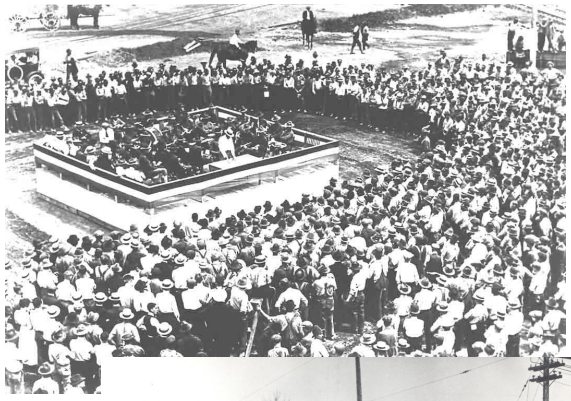
# DSCC Installation… The History

- Proximity to major rail line
- Construction began May 1918
- 600 acres during World War II…largest joint military installation…10,000 civilians
- Warehousing downsized in early ‘90s
- 1990s Base Realignment mission expansion

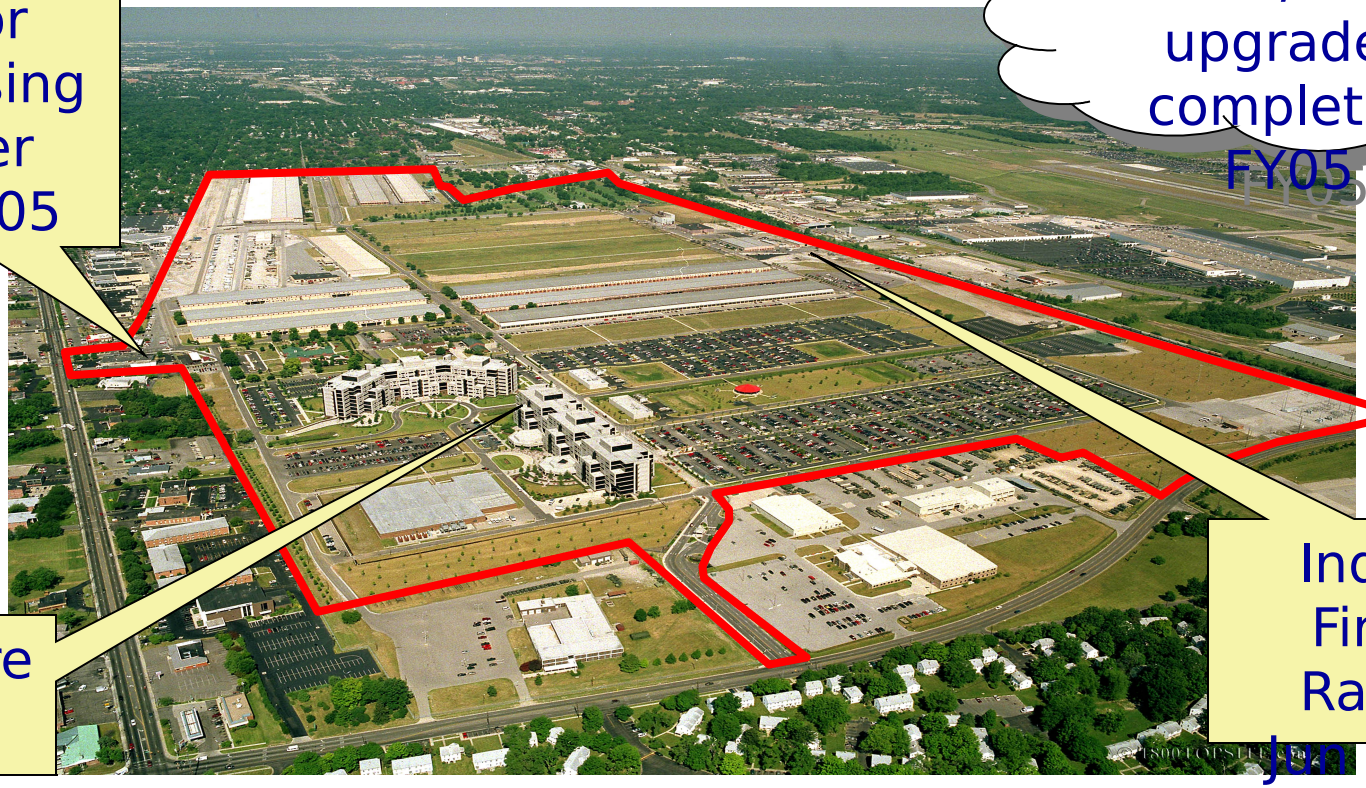


# DSCC Installation... Today

Performance
Transformation
The DSCC Way
. . . Expect the Best . . .
Culture

Visitor Processing Center Jun 2005

AT/FP upgrades completed FY05



You are here

Indoor Firing Range Jun 2005

Defense Supply Center Columbus and
25 Tenant Organizations

# DSCC Installation... Tomorrow

Performance Transformation Culture

VA Clinic Sep 2005-2007
Armed Forces Reserve Center 2007 (est)
Community Center 2009
Ohio Army National Guard 2005 - 2009
HQ Army Recruiting 2009

Expanding capabilities for the future

# DSCC Installation… Tenants…The Numbers

| | DSCC | DFAS | OTHER |
|---|---|---|---|
| Military | 75 | 10 | 31 |
| Civilian | 2521 | 2051 | 580 |
| Contractor | 253 | 152 | 131 |
| Total | 2849 | 2213 | 742 |
| BRAC | 24 | 628 | 1325 |

Includes 800 Army Reserve/Natl Guard

Total installation population growing to 7700+

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# DSCC ICP... Organization

**ICP Commander**

**Deputy Commander**

**Chief-of-Staff**
**Deputy Chief of Staff**

- Maritime Cust Ops
- Maritime Supp Ops
- Land Cust Ops
- Land Supp Ops
- Aviation Det
- Process Mgt
- Procure-ment
- Ops Support
- Legal
- Product Test Labs
- Human Resources CSO-C
- IT J6C
- Financial J8C
- Base Suppo rt

Aligned to BSM Business Model

# DSCC ICP… Business Profile

## Sales Trend

- FY02 $2.3B
- FY05 $3.1B
- FY06 (proj) $3.3B

## Sales by Supply Chain

- Land $1.4B
- Maritime $1.7B
- Aviation $0.6B*

## Foreign Military Sales

- Sales: $240M
- Supporting 90 nations

## Scope of Business

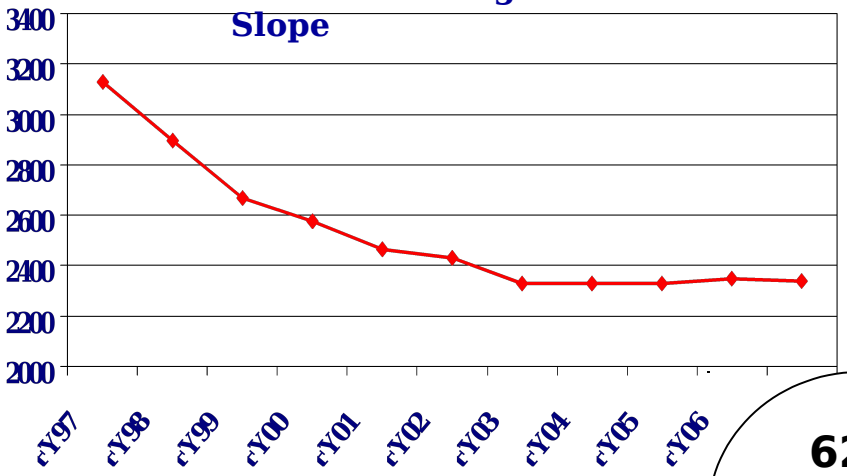
- 8.2M requisitions/yr
- 525K contracts/yr
- 2M NSNs
- 1.3K+ weapon systems
- 25K+ customers
- 6K+ suppliers

## Our People

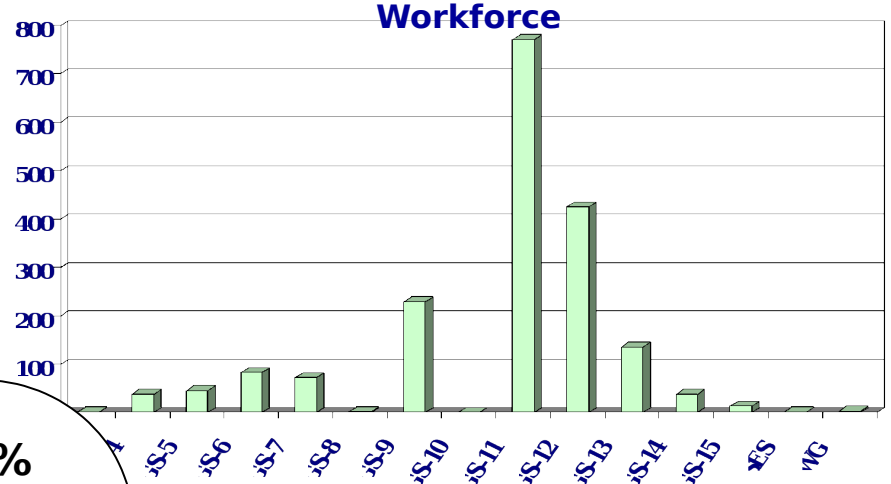
- 2500+ civilians
- 43 active duty
- 32 reserve

# Our People... Profile

## DSCC's Staffing Glide Slope




## Our Workforce

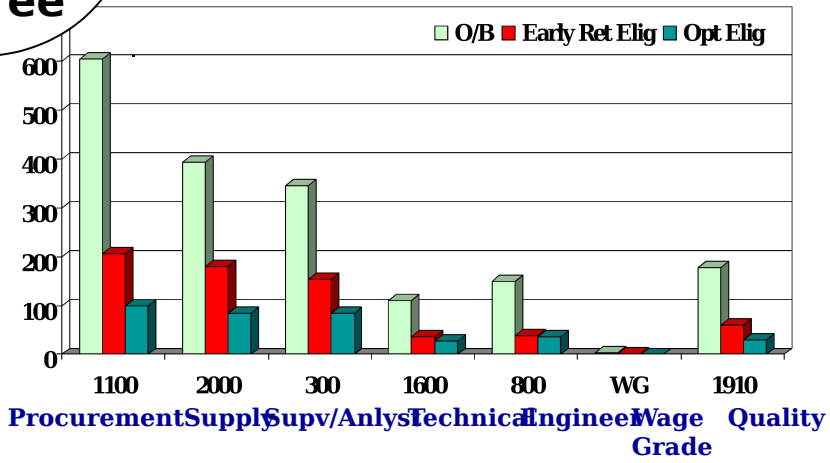



**62% have college degrees!**

## DSCC Educational Levels

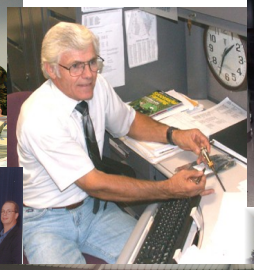
| | | |
|---|---|---|
| Less Than High School | 16 | 0 |
| High School | 689 | 37.5 |
| Associate Degree | 301 | 16.2 % |
| Bachelor's Degree | 655 | 35.3 % |
| Master's Degree | 189 | 10 % |
| Doctorate | 4 | .2 % |
| | 1854 | 100 % |

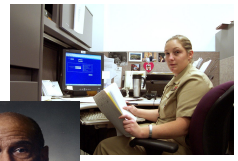
## Transitioning Workforce

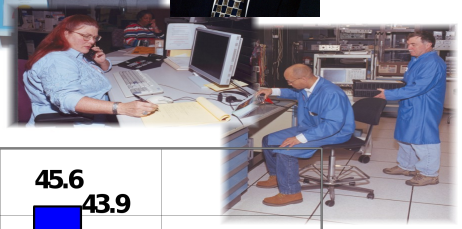


# Our People... Diversity

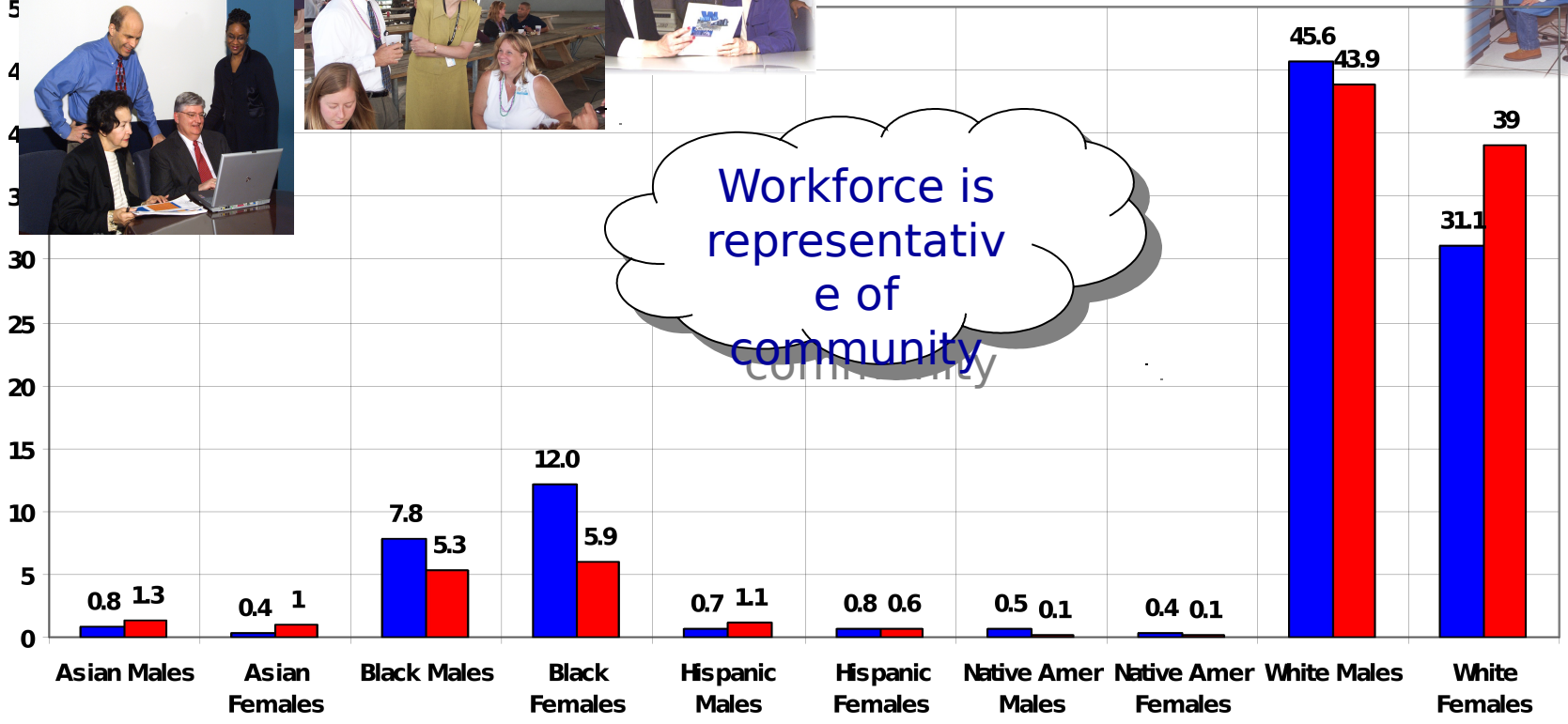
Performance Transformation Culture





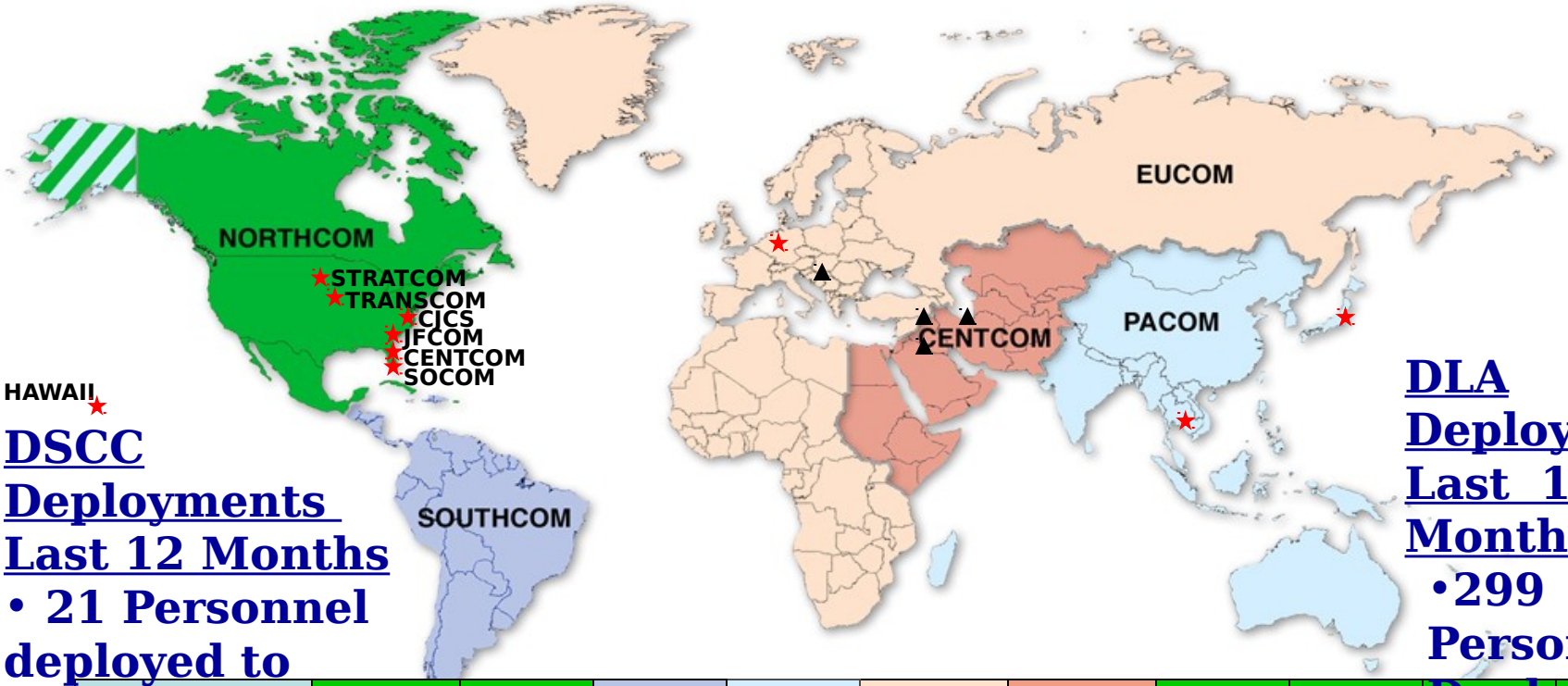


Workforce is representative of community



# Our People... Worldwide Support

Performance Transformation Culture




**DSCC Deployments Last 12 Months**

- 21 Personnel deployed to OEF/OIF

**DLA Deployments Last 12 Months**

- 299 Personnel Deployed to OEF/OIF

| DLA | CJCS | NORTHCOM AOR | SOUTHCOM AOR | PACIFIC AOR | EUROPE AOR | CENTCOM AOR | STRATCOM | TRANSCOM | [illegible] | [illegible] |
|---|---|---|---|---|---|---|---|---|---|---|
| Regional Staff | | 0 | 0 | 21 | 24 | 5 | | 15 DDOC | | |
| LNO's | 1 | 1 | 1 | 3 | 4 | 5 | 1 | 1 | 1 | 1 |
| Planners | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| DCST | | 0 | 0 | 0 | 0 | 158 | | | | 1 |
| Exercises | 3 | 4 | 3 | 26 | 3 | 5 | | 2 | 1 | |

**Legend**
**LNO - Liaison Office**
**DCST – DLA Contingency Support Teams**
**DDOC - Deployment and Distribution Operations Center**

# Our People... Community Support

- FEMA support
- Combined Federal Campaign...$315,000 (’
- Blood drives...1,000 units annually
- Operation Feed...66,000 meals
- 8,000+ computer components to 50+ schools
- Partners-In-Education...50 tutors
- Village-to-Child mentoring...14 mentors

2500+ Doing The Right Thing!

# The Mission… Demand/Supply Chains

## Land

- 360K NSNs, 3 sites, $1.4B in sales
- Army/Marines…85% of demand

## Maritime

- 1.6M NSNs, 3 sites, $1.7B in sales
- Army/Marines…51% of demand

## Aviation Detachment

- 330K NSNs, $.6B in sales
- Army/Marines…53% of demand

# Demand/Supply Chain… Land

- **Up-Armor HMMWV (UAH)**
  - **Army Requirement: 8,289**
  - **In Iraq: 7,140 (all O/H by July 0**
  - **O'Gara-Hess up-armors HMMW**
- **Add on Armor (AoA)**
  - **Army Requirement: 13,872**
  - **Installed in Iraq: 12,165**
- **DLA Spare Parts Support**
  - **Suspension Kits, A/C, Armor**
  - **RECAP / RESET of HMMWV**

- **DLA Spare Parts Support**
  - **Procure Suspension, Air Conditioning (A/C), and Armor Piece Parts**
  - **Stock Number creation & investment**
- **Requirements (installed to date)**
  - **PLS 871 (713), HET 665 (68)**
  - **FMTV 2,805 (764 AoA, 286 LSAC)**
  - **HEMTT 1,595 (1,196)**
  - **M915 Freightliner 1,302 (259)**

# Demand/Supply Chain… Maritime

**Nimitz Class CVN &**
**Combat Logistics Forces**

- **Aircraft Launch and Recovery Equipment support**
- **Deployed force sustainment only possible through underway replenishment**

**AT/FP - Anti Terrorism**
**Force Protection**

- **USS COLE attack redefines AT/FP for Navy**
- **Provides vital close-in protection**

**Arleigh Burke Class**
**DDG**

- **Provides 24X7 umbrella of radar protection**
- **Tomahawk missile strikes supporting OIF**

# Warfighter Support… Aviation Detachment

**Support to all services for fixed wing and rotary weapons systems**

**Support wide range of vehicles through management of power transmission components; gears, pulleys and transmission chains; fittings for ropes, cables**

**Support to ground troops through management of communication equipment, including night vision equipment**

# The Mission… Shared Services

- Operational Support Group
  - Specification, qualification and standardization
  - Value management, tech data, and packaging
- Product Test Centers
  - Counterfeit Material/Unauthorized Product Substitution (CM/UPS)
  - Product verification/tech evaluation
- Office of Counsel
  - Procurement integrity
  - Fraud (CM/UPS), contract conflict resolution

# The Mission... Process Management

- Corporate Information
  - BSM/CRM/eProcurement
  - Legacy systems support
  - Process management

- Procurement
  - Policy and performance
  - Advisor to supply chains
  - Industrial sourcing and surge support

# The Mission… Operationalized Functions

- DHRC-C
  - All things personnel
- DLA Enterprise Services – Columbus
  - Base contracting, installation management
  - Public safety, MWR, environmental/occupational health
- J6-C
  - Full spectrum of IT support
- J8-C
  - Budgets, POM, execution
  - Supply chain financial management

# Agenda

- The Installation
- The ICP
  - Organization
  - Our People
  - Mission
- BSM Transformation
- BRAC

# What is BSM?

*Business Systems Modernization is:*

- Major transformation effort--massive change for our workforce, creation of an enterprise
- Incorporating best practices via commercial-off-the-shelf (COTS) based tools
- Replacement of our 30 year old materiel management systems … and our processes embedded in those systems
- The core of DLA’s enterprise architecture

# Organizational Impact…
## Demand/Supply Chain Theory

**Demand Chains - grouping of customers that are managed by Customer Operations**

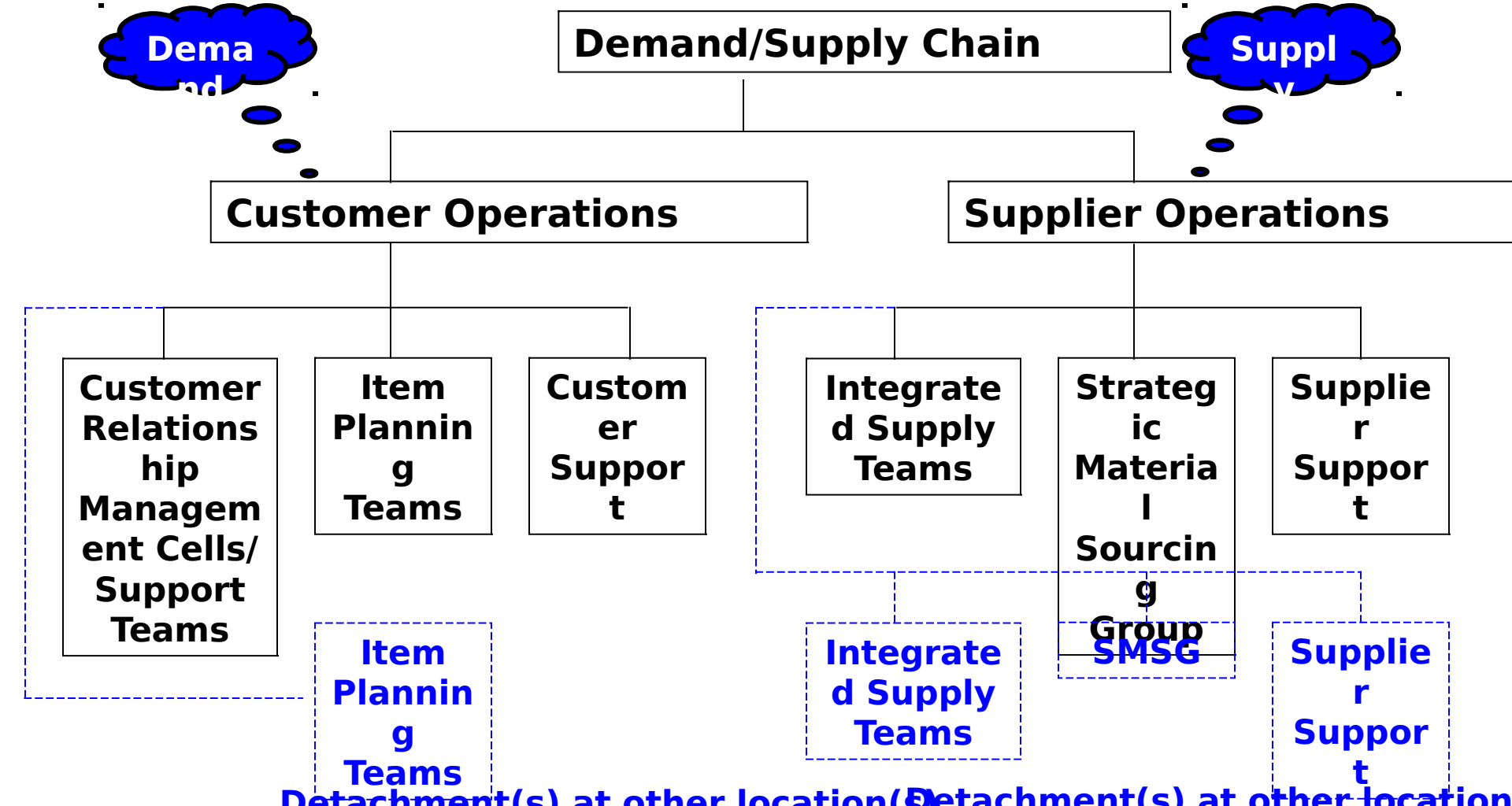
**"Each customer is aligned to one and only one demand chain"**

- Aviation
- Land
- Maritime
- Construction and Equipment (C&E)
- Clothing and Textiles (C&T)
- Medical
- Subsistence

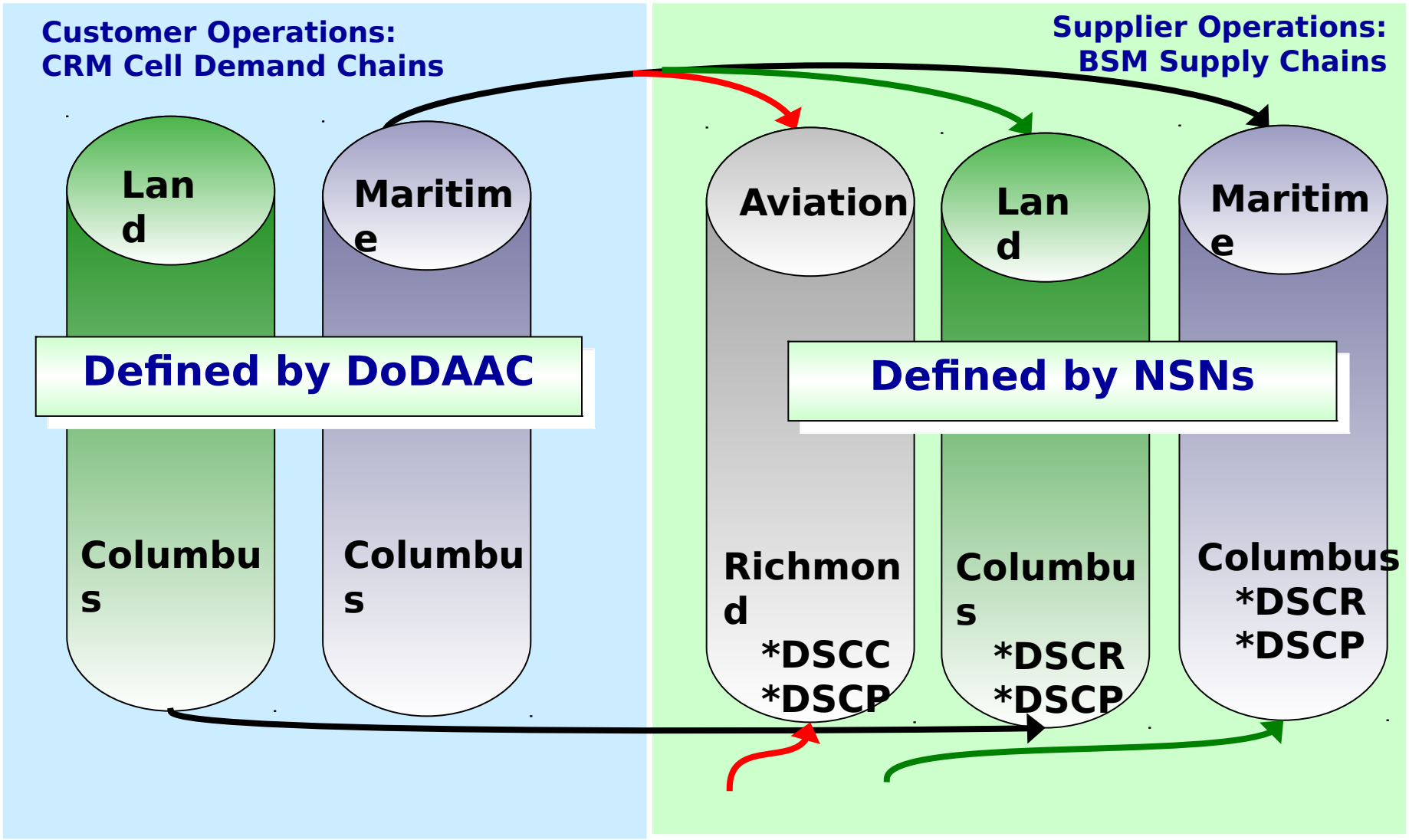
**Supply Chains – grouping of items/suppliers that are managed by Supplier Operations**

**"Each item is aligned with one and only one supply chain"**

# Organizational Impact… The Detail



# Organizational Impact…
## Demand/Supply Chain Interface

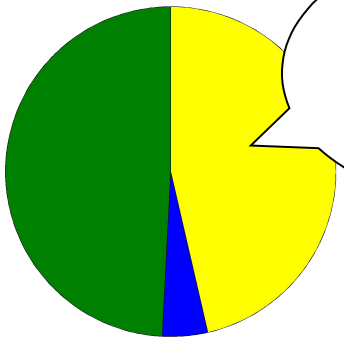


# Organizational Impact… What It Means In Execution

Performance Transformation Culture

The DSCC Way … Expect the Best …

## Land Supply Chain

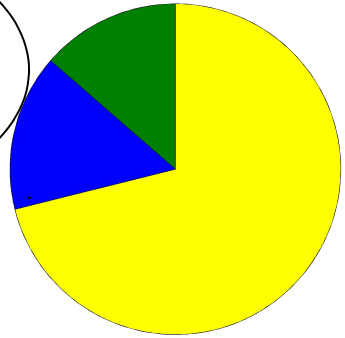


Over 50% of Land items managed remotely

**Total parts managed… 361,325**

**Columbus: 168,108**
**Richmond: 15,113**
**Philadelphia: 178,104**

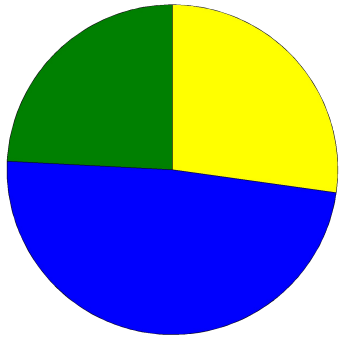
## Maritime Supply Chain



**Total parts managed… 1,652,751**

**Columbus: 1,177,151**
**Richmond: 252,136**
**Philadelphia: 223,464**

## Aviation Supply Chain



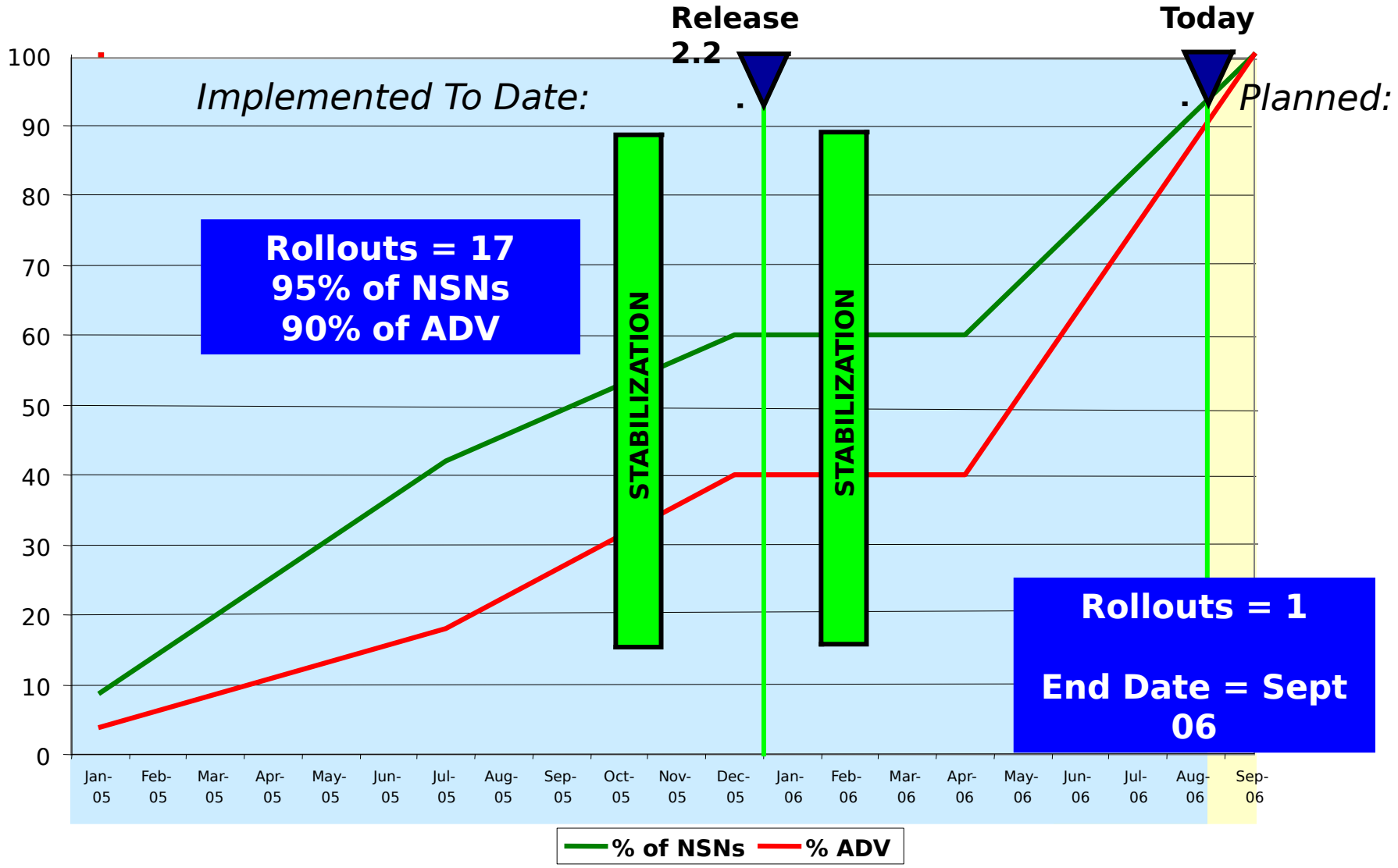
**Total parts managed… 1,220,458**

**Columbus: 331,072**
**Richmond: 594,116**
**Philadelphia: 295,270**

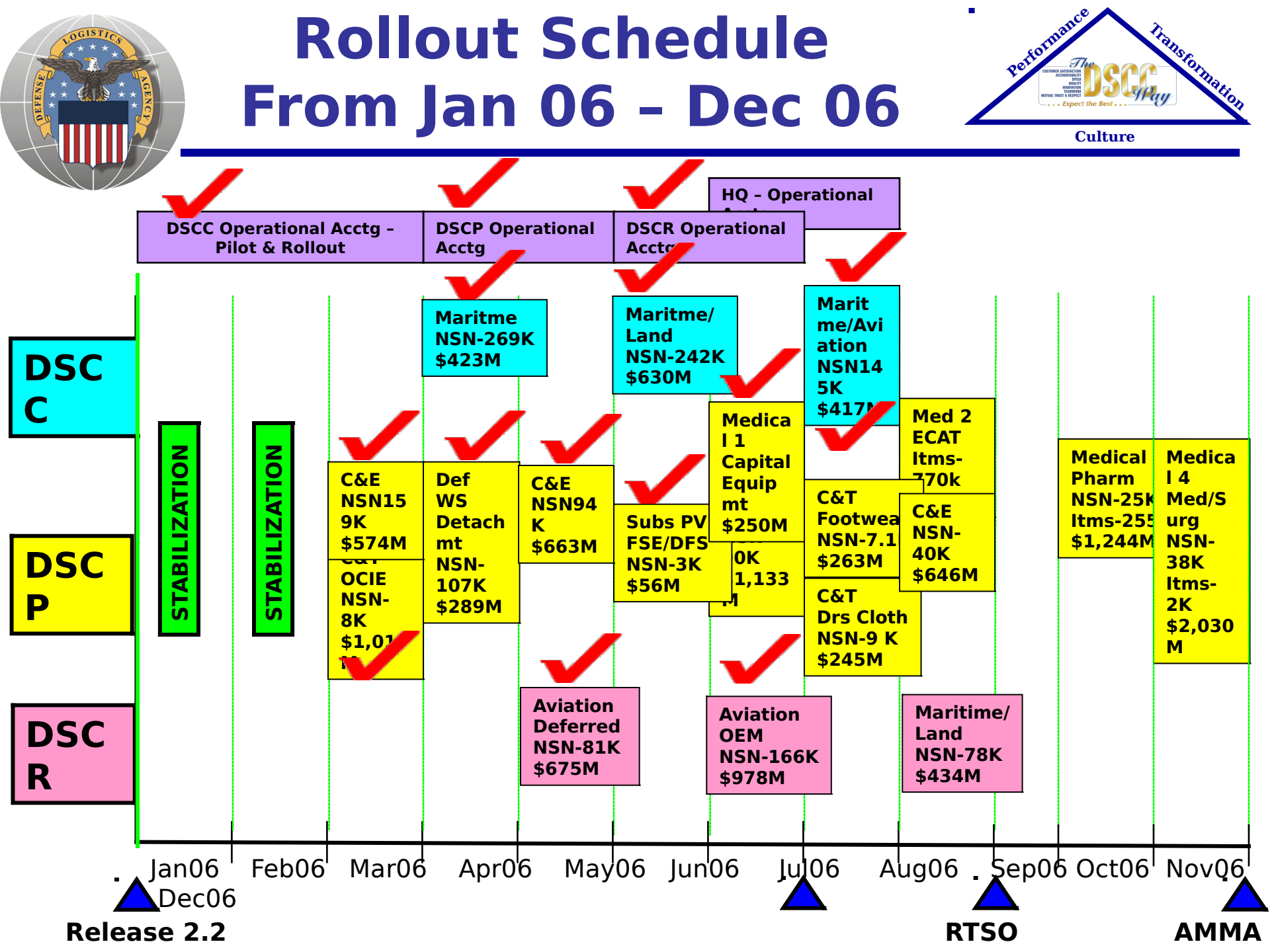
Columbus Site  Richmond Site  Philadelphia Site

Remote Site Management And Execution Critical To

# BSM Rollouts
# Hardware Supply Chains



# Rollout Schedule From Jan 06 – Dec 06



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# DSCC BRAC Related Efforts

## Privatization - Tires

- Visited AF, Army and Navy Sites
- Industry Day – 9 Mar

…$233M contract

## DLR Procurement Management

- Cross Service Group – Steve Rodocker
- Developing CONOPS

…DSCC leading DLA effort

## Supply & Storage

- 50% reduction in capacity
- Our bogey…3.8 million cu. ft.

…8K, $40M, 132K cu ft, so far

## Consumable Item Transfer

- Cross Service Group identifying items
- Much smaller than expected

…from 350K to < 5K

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# Summary

- Performance
  - Installation…meeting DoD needs and growing to meet the future
  - Demand/Supply Chains…delivering on mission…organized for success
- Customer Engagement
  - Connected to warfighters; engaged at weapon systems and DODAAC levels